



**6712-01**

**FEDERAL COMMUNICATIONS COMMISSION**

**47 CFR Part 54**

**[WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92; FCC 18-176; FRS 16897]**

**Connect America Fund, ETC Annual Reports and Certifications, Establishing Just and Reasonable Rates for Local Exchange Carriers, Developing a Unified Inter-carrier Compensation Regime**

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule; announcement of effective date.

**SUMMARY:** In this document, the Federal Communications Commission (Commission) announces that the Office of Management and Budget (OMB) has approved, for a period of three years, an information collection associated with the rules for the Connect America Fund contained in the Commission's Rate-of-Return Order, FCC 18-176. This document is consistent with the Rate-of-Return Order, which stated that the Commission would publish a document in the Federal Register announcing the effective date of the new information collection requirements.

**DATES:** The amendments to § 54.313(f)(5) published at 84 FR 4711, February 19, 2019 is effective **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**FOR FURTHER INFORMATION CONTACT:** Alexander Minard, Wireline Competition Bureau at (202) 418-7400 or TTY (202) 418-0484. For additional information concerning the Paperwork Reduction Act information collection requirements contact Nicole Ongele at (202) 418-2991 or via email: [Nicole.Ongele@fcc.gov](mailto:Nicole.Ongele@fcc.gov).

**SUPPLEMENTARY INFORMATION:** The Commission submitted revised information collection requirements for review and approval by OMB, as required by the Paperwork Reduction Act (PRA) of 1995, on May 13, 2020, which were approved by OMB on June 22, 2020. The information collection requirements are contained in the Commission's Rate-of-

Return Order, FCC 18-176 published at 84 FR 4711, February 19, 2019. The OMB Control Number is 3060-0233. If you have any comments on the burden estimates listed in the following, or how the Commission can improve the collections and reduce any burdens caused thereby, please contact Nicole Ongele, Federal Communications Commission, Room 1-A620, 445 12<sup>th</sup> Street, SW, Washington, DC 20554. Please include the OMB Control Number, 3060-0233, in your correspondence. The Commission will also accept your comments via e-mail at [PRA@fcc.gov](mailto:PRA@fcc.gov).

To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY).

## **SYNOPSIS**

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), the Commission is notifying the public that it received OMB approval on June 22, 2020, for the information collection requirements contained in 47 CFR 54.313(f)(5) published at 84 FR 4711, February 19, 2019. Under 5 CFR part 1320, an agency may not conduct or sponsor a collection of information unless it displays a current, valid OMB Control Number.

No person shall be subject to any penalty for failing to comply with a collection of information subject to the Paperwork Reduction Act that does not display a current, valid OMB Control Number. The OMB Control Number is 3060-0233.

The foregoing notice is required by the Paperwork Reduction Act of 1995, Pub. L. 104-13, October 1, 1995, and 44 U.S.C. 3507.

The total annual reporting burdens and costs for the respondents are as follows:

**OMB Control Number:** 3060-0233.

**OMB Approval Date:** June 22, 2020.

**OMB Expiration Date:** June 30, 2023.

**Title:** Part 54 – Rate-of-Return Carrier Universal Service Reporting Requirements.

**Form Number:** FCC Form 507, FCC Form 508 and FCC Form 509.

**Type of Review:** Revision of a currently approved collection.

**Respondents:** Business or other for-profit.

**Number of Respondents and Responses:** 1,095 respondents; 4,044 responses.

**Estimated Time per Response:** 1 - 22 hours.

**Frequency of Response:** On occasion and annual reporting requirements.

**Obligation to Respond:** Required to obtain or retain benefits. Statutory authority for this information collection is contained in 47 U.S.C. 151-154, 214, 218-220, 221(c), 254, and 303(r).

**Total Annual Burden:** 43,638 hours.

**Total Annual Cost:** No Cost.

**Privacy Act Impact Assessment:** No impact(s).

**Nature and Extent of Confidentiality:** No assurance of confidentiality has been given regarding the information. However, respondents may request materials or information submitted to the Commission be withheld from public inspection under 47 CFR 0.459 of the FCC's rules.

**Needs and Uses:** In order to determine which carriers are entitled to universal service support, all rate-of-return regulated (rate-of-return) incumbent local exchange carriers (LECs) must provide the National Exchange Carrier Association (NECA) with the loop cost and loop count data required by section 54.1305 for each of its study areas and, if applicable, for each wire center as that term is defined in 47 CFR Part 54. See 47 CFR 54.1305 and 54.5. The loop cost and loop count information is to be filed annually with NECA by July 31<sup>st</sup> of each year, and may be updated occasionally pursuant to section 54.1306. See 47 CFR 54.1306. Pursuant to section 54.1307, the information filed on July 31<sup>st</sup> of each year will be used to calculate universal service support for each study area and is filed by NECA with the Commission on October 1 of each year. See 47 CFR 54.1307. An incumbent LEC is defined as a carrier that meets the definition of "incumbent local exchange carrier" in section 51.5 of the Commission's rules. See 47 CFR 51.5.

In March 2016, the Commission adopted the *Rate-of-Return Reform Order*, 81 FR 24282, April 25, 2016, to continue modernizing the universal service support mechanisms for rate-of-return carriers. The *Rate-of-Return Reform Order* replaced the Interstate Common Line Support (ICLS) mechanism with the Connect America Fund—Broadband Loop Support (CAF-BLS) mechanism. While ICLS supported only lines used to provide traditional voice service (including voice service bundled with broadband service), CAF-BLS also supports consumer broadband-only loops. In March 2016, the Commission adopted the *Rate-of-Return Reform Order* to continue modernizing the universal service support mechanisms for rate-of-return carriers. The *Rate-of-Return Reform Order* replaced the Interstate Common Line Support (ICLS) mechanism with the Connect America Fund—Broadband Loop Support (CAF-BLS) mechanism. While ICLS supported only lines used to provide traditional voice service (including voice service bundled with broadband service), CAF-BLS also supports consumer broadband-only loops. For the purposes of calculating and monitoring CAF-BLS, rate-of-return carriers that receive CAF-BLS must file common line and consumer broadband-only loop counts on FCC Form 507, forecasted common line and consumer broadband-only loop costs and revenues on FCC Form 508, and actual common line and consumer broadband-only loop costs and revenues on FCC Form 509. See 47 CFR 54.903(a).

In December 2018, the Commission adopted the *December 2018 Rate-of-Return Reform Order*, 84 FR 4711, February 19, 2019, to require rate-of-return carriers that receive Alternative Connect American Model (A-CAM) or Alaska Plan support to file line count data on FCC Form 507 as a condition of high-cost support. Historically, all rate-of-return carriers received CAF BLS or, prior to that, ICLS, and were required to file line count data on FCC Form 507 as a condition of that support. In recent years, some rate-of-return carriers have elected to receive A-CAM I, A-CAM II, or Alaska Plan instead, and those carriers were not required to file line count data

because the requirement to file applied only to rate-of-return carriers receiving CAF BLS. In order to restore a data set that the Commission relied on to evaluate the effectiveness of its high-cost universal service programs, the Commission revised its rules in that Order to require all rate-of-return carriers to file that data. While carriers receiving CAF-BLS must file the line count data on March 31 for line counts as of the prior December 31, the A-CAM I, A-CAM II, and Alaska Plan carriers will be required to file on July 1 of each year to coincide with other existing requirements in OMB Control No. 3060-0986. *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order, Further Notice of Proposed Rulemaking and Order on Reconsideration, 33 FCC Rcd 11893 (2018) (*2018 Rate-of-Return Reform Order*). See also 47 CFR 54.313(f)(5).

The Commission therefore revises this information collection. We also increased the burdens associated with existing reporting requirements to account for additional carriers that will be subject to those requirements.

**FEDERAL COMMUNICATIONS COMMISSION.**

**Cecilia Sigmund,**

Federal Register Liaison Officer

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